



**DEPARTMENT OF THE ARMY**  
**HEADQUARTERS, 6TH SUPPORT CENTER (MATERIEL MANAGEMENT)**  
**UNIT #15016**  
**APO AP 96218-0172**

REPLY TO  
ATTENTION OF:

EANC-SSC-MMG (700)

16 June 1999

**MEMORANDUM THRU**

Chief, Maintenance Management Division, 6<sup>th</sup> Support Center (MM), Unit #15016, APO 96218-0172

Deputy Commander, 6<sup>th</sup> Support Center (MM), Unit #15016, APO 96218-0172

FOR Commander, 6<sup>th</sup> Support Center (MM), Unit #15016, APO 96218-0172

**SUBJECT:** Minutes from TSMM Korea Production, Planning, and Control (PP&C) Meeting held on 10 June 99

1. The following is a synopsis of the first PP&C for EUSA held at 6<sup>th</sup> Support Center in Taegu, Republic of Korea.

**a. Attendees:**

See Enclosure 1

**b. Introductions:**

The meeting started promptly at 1000hrs. Mr. Winchester made initial opening remarks, commenting that the focus was a planning meeting to prepare for the next PP&C in September. The TSMM Team was introduced, then the floor given to COL Siegert.

COL Siegert commented that this meeting is a vital first step. The theater has made considerable progress and still has a long way to go. This is a step to the full PP&C in September. This meeting was an opportunity to get all the key personnel together at one time. The program requests the help of all personnel, needing courage and patience to be part of the process. The floor was then given to Mr. Winchester.

Mr. Winchester commented that the best logistics minds in Korea, and possibly within the Army, are in the room and everybody should ask questions. The floor was then given to Mr. Bell.

Mr. Bell introduced the first few slides of the briefing outlining the agenda, an overview of ISM, and reasons why ISM was initiated. The floor was given to Mr. Price for Single Stock Fund (SSF) briefing.

**Single Stock Fund:**

Mr. Price introduced the first two slides of the SSF portion of the brief as written. On slide three Mr. Price explained that ISM is a subset of SSF and that SSF is a subset of a larger initiative GCSS-A. We

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are moving into Star Wars Logistics. The process has many moving parts and the PMs will be challenged to keep up. GCSS-A is the most ambitious automation DOD has undertaken. The rate of change within the next few years will surpass all that has happened since WW II. SSF is a key component of GCSS-A; it is a cost initiative. A smaller Army and smaller budget is forcing us to manage more efficiently. SSF objectives include breaking the paradigm of multi-tiered structures in accounting and processing. SAILS and DS4 are autonomous systems, SARSS is theater wide and the next step is worldwide. Under SSF AMC will pick up SARSS1 sites but MSCs or war fighters will be allowed to coordinate or customize their PLLs. Purchase accountability will be at point of requisition. The question is still open as to what will be stocked locally, and who will retain and manage excess. The problem of 18-month budget projections left open the question of personnel management in OCONUS operations, hiring and laying off employees here takes more time and has more rules than in CONUS. The question whether LCOE is a LSMM or a Depot function was not defined.

Mr. Price explained that SSF would operate under one set of financial books Army-wide. Under SSF the turn-in credit rates will be worldwide and based on a dollar amount applied to an NSN, rather than a percentage applied to a MATCAT. This process is concerned with what the Army needs world-wide as opposed to desires of a specific theater.

Mr. Rossell asked if OPTEMP money would increase. Mr. Price said it would be based on predicted impact. Credits should drop and OA should increase.

Mr. Price said further that SSF should reduce redundancy by calculating the demands one time and coming up with a worldwide requirement based on geographic demands. Where to stock and repair reparables is an open question.

MAJ O'Shaughnessy asked who pays the shipping cost. Mr. Price said the SSF regulation states that the Stock Fund pays it. It is believed that TRANSCOM has a "pot of money" available to cover this expense.

Still another objective reducing excess is controlling what gets repaired as the Army worldwide is repairing in excess. We do not have the details on this as we are still working on concept and policy.

LTC Kolb asked if there would be a COE for each NSN. Mr. Youngman replied that COE should be regional. It does not make sense to send items to CONUS just to be returned to Korea. COL Siegert commented that we would not trade something for less than we require in Theater and we will not ship out of country based on readiness factors.

The campaign plan timing for SSF implementation has slipped due to lack of hardware and software. Projects originally scheduled for Oct 99 have been delayed to Oct 00. FY 01 is the planned date for Milestone 1 and 2 implementation.

Mr. Brown asked if reimbursements would be paid back to the unit or back to the Army. Mr. Price said it depends on how we do business.

Mr. Rossell asked if the Army was going to guarantee funds for labor. Mr. Youngman said the Army intends to maintain status quo for the first two years.

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Implementation is dependent on computer programming to make it work and is event driven. The successful implementation of GCSS-A is the key to overall success of the program.

Logistics operators at the GS level and above can expect constant turmoil during the transition period due to a combination of changes in business practices and changes in functional procedures.

Forts Sill, Lewis, and Redstone Arsenal are the designated test bases for demonstration of SSF.

Finally, questions were left open as to how the command will train with CONUS counterparts and the organization of accountability between AMC and non-AMC managed property.

#### **TSMM ISM/EMIS Structure:**

Mr. Preston briefed the relationship between ISM and EMIS. File input and accuracy issues were discussed. It was noted that the GSMMS WANG system document register data file appeared to be fixed. The ESSC MTSSA file however, is not loading into EMIS. It was mentioned that TSMM Europe had dropped the ESSC operation from its TSMM process. COL Siegert suggested we choose a "drop-dead" date for implementation of the ESSC file.

Either ESSC starts providing prescribed inputs or lose consideration for work under ISM. Mr. Preston commented that the system will work and we should not give up on it. COL Siegert asked Mr. Youngman to look into it from the NSMM side.

#### **The Business Process:**

Mr. Bell briefed the national bid process. Area of interest was our future for involvement. National work is awarded on best value and competence. It was stressed that work is fully reimbursable at bid prices. This means that if the COE goes over bid price then COE will pay the additional cost, but if the COE can produce for less than bid price then COE keeps additional profits.

Mr. Brown asked if we would be in competition with depots. Mr. Winchester replied that we would be in competition with the depots and that we would be required to have level A quality manual approved by NSMM prior to bidding for National work.

Mr. Bell discussed the COE candidate lists for ALMD and MSCK. The COE candidate process was discussed.

Mr. Rossell asked if MSCK installs a nationally repaired item, how is the warranty passed to the consumer?

COL Gray asked how do we know if a component is a repaired item or a new item? Mr. Youngman replied that the nationally repaired items would have paperwork with them.

Mr. Rossell asked if DLA managed items are to be returned to DLA. Mr. Price answered that DLA managed items are not repaired.

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Does an ISM item warranty meet manufacturer standards? The answer was yes. Comment was made that we need to publicize this.

Discussion was raised as to how the warranties are tracked. Question was asked if the document number can act as being the warranty key. (No answer)

COL Siegert commented that we cannot afford the administrative burden of chasing warranties.

COL Siegert asked if the warranty issue was a BPM item and if there was a warranty item list at NSMM. COL Gray said yes.

COL Siegert asked if we have developed a warranty process. Mr. Winchester answered that the warranty process does not work with this theater's process since we are only repairing item for the SMA. CONUS maintenance activities are repairing COE lines on a maintenance request from other installations. A warranty probably makes sense in their situation.

COL Siegert recommended we do away with the warranty process for our region.

Mr. Bell briefed the Quality Manual process.

Mr. Rossell mentioned we should have national level standards specified to us so we can be prepared to compete for national level work.

Mr. Youngman replied that right now there is no national level standard published. Mr. Youngman will get whatever standards are available and get them to us. The NSMM QA team will be here during Sep 99 at which point much of this can be refined.

The status of QA manuals was briefed. ALMD is apparently ISO 9002 compliant as a result of the DynCorp ISO 9002 certification. This is under review at the NSMM office. MSCK has submitted their plan to the NSMM for approval. ESSC is working on their manual.

The PP&C Workload data sheet from USAREUR was briefed. Comment was made that cost effectiveness for AVIM will be harder than for ground components.

Comment was made that under the SSF repair and return of major assemblies/sub assemblies for Class VII item in the GSRP would no longer be authorized. This will drive up the cost of the GSRP. Mr. Rossell asked if EUSA could afford GSRP under SSF and how will the NSN credits vs. the MATCAT credits work in. (No Answer)

It was determined that that we need to do a demand data review on the COE lines to compare them to the LOGSA and SARSS demand data for volume comparison.

COL Siegert commented that we have to get the ESSC data problem fixed. If we cannot, then what is the alternative? Should we drop ESSC?

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Closing comments were that the meeting was productive in that we were able to get everyone together at the same time and become familiar with main issues concerning ISM implementation and inform the principals as to what direction TSMM will be taking.

A decision was made to hold the next PP&C during the early part of September to get on the Fiscal Year schedule.

2. Point of contact is the undersigned, 768-8477/8337.

/original signed/  
Paul A. Bell  
Deputy TSMM